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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Harold P. Mintz

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EXAMINER

HAMILTON, LALITA M

ART UNIT

PAPER NUMBER

3691

MAIL DATE

DELIVERY MODE

05/10/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/714,619

Applicant(s)

MINTZ, HAROLD P.

Examiner

Lalita M. Hamilton

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 26 February 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-19 and 20-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

On November 24, 2006, an Office Action was sent to the Applicant rejecting claims 1-19 and 20-25. On February 26, 2007, the Applicant responded by amending claims 1-7, 9-18, and 23-25.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-19 and 20-25 are rejected under 35 U.S.C. 102(e) as being anticipated by McRedmond (2001/0034692).

McRedmond discloses a method and corresponding data storage medium for business to investor exchange for creating a market for private equity comprising operating a venture capital investment business, (p.2, 21-29); establishing a business entity, the said business entity establishing an investment fund for venture capital, establishing a fund managing entity of the investment fund, the fund managing entity attending to administrative matters relating to the said investment fund and making investment decisions for the fund, the investment fund having capital contributions provided by investors in the fund to said fund, the fund managing entity also providing capital contributions to the said fund, the same fund utilizing the contributions to invest

in portfolio entities, the said investors receiving a general participation interest in the said fund, and the fund managing entity receiving a carried interest in the fund, providing the investors that have provided at least a threshold capital contribution to the said fund with stock rights in the said business entity to enable such investors to become shareholders in the said business entity, the said business entity securing a portion of IPO shares that become available in the portfolio entities, and the said business entity enabling shareholders thereof to purchase IPO shares among the said portion of IPO shares secured by the said business entity that become available in the said portfolio entities (p.2, 21-29; p.3, 44-48; and p.4, 61-64); wherein the fund managing entity employs at least one other fund managing entity to direct investment decisions, the said at least one other fund managing entity also being provided with stock rights in the said business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); wherein the said portfolio entities also receive stock rights in the said business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); in partial consideration for the fund investing in the said portfolio entities, the said portfolio entities agree that a portion of IPO shares that become available as a result of an IPO therein will be made available to shareholders of the said business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); the said shareholders of the business entity will be entitled to a percentage of the portion of IPO shares that is based on a pro-rata percentage of their stock ownership in the business entity, less any shares allocated otherwise (p.2, 21-29; p.3, 44-48; and p.4, 61-64); capital investment business according to claim 5, wherein the said shareholders in the business entity include: direct shareholders in business entity, the said investors in the said fund that

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have exercised stock options that they obtained in the said business entity, the managers of the at least one other fund managing entity that have exercised stock options that they obtained in the business entity, and the portfolio entities that have exercised stock options that they obtained in the business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); the said business entity invests directly in additional portfolio entities, other than the portfolio entities invested in through the said investment fund (p.2, 21-29; p.3, 44-48; and p.4, 61-64); investment manager/advisor that provides investment advice to the fund (p.2, 21-29; p.3, 44-48; and p.4, 61-64); wherein the said stock rights are options (p.2, 21-29; p.3, 44-48; and p.4, 61-64); the said business entity establishes a family of investment funds, each of the said funds investing in associated portfolio entities, providing investors that have provided at least a threshold capital contribution to at least one of the said funds with stock rights in the business entity to enable such investors to become shareholders in the said business entity, and enabling shareholders of the business entity to purchase IPO shares that become available in any of the portfolio entities of the said family of funds (p.2, 21-29; p.3, 44-48; and p.4, 61-64); wherein the said business entity enables shareholders thereof to purchase IPO shares that become available in portfolio entities invested in directly by the business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); wherein the stock rights are warrants (p.2, 21-29; p.3, 44-48; and p.4, 61-64); the said portfolio entities are also provided with stock rights in the business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); establishing a business entity, the business entity establishing an investment fund for venture capital, establishing a fund managing entity of the investment fund, the fund managing entity

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attending to administrative matters relating to the investment fund, the said investment fund having investors that provide capital contributions to the said fund, the fund managing entity also providing capital contributions to the said fund, the said fund utilizing the said capital contributions to invest in portfolio entities, obtaining an agreement from the portfolio entities that a portion of IPO shares that became available as a result of an IPO therein will be made available to the said business entity, and providing investors that have provided a threshold capital contribution amount to the said fund with stock rights to purchase shares in the business entity, the said investors thereby having an opportunity to purchase some of the IPO shares among portion of IPO shares made available to the business entity at the IPO price if such stock rights are exercised (p.2, 21-29; p.3, 44-48; and p.4, 61-64); investors in the fund are provided with stock rights to purchase shares in the business entity as partial consideration for the investors in the fund agreeing that the said business entity can secure directed share subscription program (DSSP) or rights offering rights to participate in the IPOs of in the fund's portfolio entities (p.2, 21-29; p.3, 44-48; and p.4, 61-64); establishing a business entity, the business entity establishing an investment fund for venture capital, establishing a fund managing entity of the said investment fund, the fund managing entity attending to administrative matters relating to the investment fund, the said fund managing entity having at least one other fund managing entity to direct investment decisions for the said fund, the said investment fund having investors that provide capital contributions to the fund, the said fund managing entity also providing capital contributions to the said fund, the fund utilizing the said contributions to invest in

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portfolio entities, obtaining an agreement from the said portfolio entities that a portion of IPO shares that became available as a result of an IPO therein will be made available to the business entity, providing the said at least one other fund managing entity with stock rights in the said business entity to enable the entity to become shareholders in the said business entity securing available in the portfolio entities, and the said business entity enabling said at least one other fund managing business entity; a portion of IPO shares that become shareholders thereof to purchase IPO shares among the portion of IPO shares secured by the said business entity that become available in the said portfolio entities (p.2, 21-29; p.3, 44-48; and p.4, 61-64); an amount of IPO shares that the said at least one other fund managing entity is entitled to obtain is based upon the performance of the fund and/or tenure of the said at least one other fund managing entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); receiving capital contribution information relating to an amount of capital contributed by an investor to a venture capital fund, the fund having investments in portfolio entities, comparing the capital contribution information to a threshold value, and consequent to the said comparing step, assigning, to the investor, stock rights in the business entity that has secured access to IPO shares that become available in the portfolio entities, wherein when stock rights in the business entity are exercised by the investors, those investors have a right to purchase a specified portion of the IPO shares to which access has been secured by the business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64); receiving capital contribution information includes: receiving an investor identifier associated with the investor; and based at least in part on a correspondence between the investor identifier and the capital contribution

information, retrieving the capital contribution information from a computer storage element (p.2, 21-29; p.3, 44-48; and p.4, 61-64); assigning stock rights includes allocating stock rights to the investor based at least in part on a relation between the capital contribution information and a total capital contribution amount by the investor (p.2, 21-29; p.3, 44-48; and p.4, 61-64); wherein allocating stock rights to the investor includes: receiving a fund identifier associated with the fund; and based at least in part on a correspondence between the fund identifier and the total capital contribution amount, retrieving the total capital contribution amount from a computer storage element (p.2, 21-29; p.3, 44-48; and p.4, 61-64); allocating stock rights to the investor includes calculating a stock ownership percentage in the business entity, wherein the stock ownership percentage is based at least in part on the relation between the capital contribution information and a total capital contribution amount (p.2, 21-29; p.3, 44-48; and p.4, 61-64); monitoring vesting of the said stock rights based on the said investors compliance with their commitments to meet future capital calls when made (p.2, 21-29; p.3, 44-48; and p.4, 61-64); and data storage medium, the said data storage medium having machine-readable code stored thereon, the machine-readable code including instructions executable by an array of logic elements, receiving capital contribution information relating to an amount of capital contributed by an investor to a venture capital fund, the fund having investments in portfolio entities, comparing the capital contribution information to a threshold value, and consequent to said comparing step, assigning to the investor stock rights in a business entity that has secured access to IPO shares that become available in the portfolio entities, wherein when stock rights in

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the business entity are exercised by the investors, those investors have a right to purchase a specified portion of the IPO shares to which access has been secured by the business entity (p.2, 21-29; p.3, 44-48; and p.4, 61-64).

Although the Examiner has pointed out particular references contained in the prior art(s) of record in the body of this action, the specified citations are merely representative of the teachings in the art as applied to the specific limitations within the individual claim. Since other passages and figures may apply to the claimed invention as well, it is respectfully requested that the applicant, in preparing the response, to consider fully the entire references as potentially teaching all of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the Examiner.

Response to Arguments

Applicant's arguments with respect to claims 1-19 and 21-25 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Lalita M. Hamilton whose telephone number is (571) 272-6743. The examiner can normally be reached on Tuesday-Thursday (6:30-2:30).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kalinowski Alexander can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



LALITA M. HAMILTON
PRIMARY EXAMINER